

**DEACONESS FAITH COMMUNITY
NURSE MINISTRIES, INC.**

AUDITED FINANCIAL STATEMENTS

**FOR THE YEARS ENDED
DECEMBER 31, 2021 AND 2020**

DEACONESS FAITH COMMUNITY NURSE MINISTRIES, INC.

CONTENTS

	<u>Pages</u>
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position	1
Statement of Activities	2
Statement of Functional Expenses	3
Statement of Cash Flows	4
Notes to Financial Statements	5-12

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Deaconess Faith Community Nurse Ministries Inc.

Opinion

We have audited the accompanying financial statements of Deaconess Faith Community Nurse Ministries Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Deaconess Faith Community Nurse Ministries Inc. as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Deaconess Faith Community Nurse Ministries Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Deaconess Faith Community Nurse Ministries Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that,

individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Deaconess Faith Community Nurse Ministries Inc's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Deaconess Faith Community Nurse Ministries Inc's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Deaconess Faith Community Nurse Ministries Inc. 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 24, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Fick, Eggemeyer, & Williamson CPAs
Saint Louis, Missouri
April 1, 2022

DEACONESS FAITH COMMUNITY NURSE MINISTRIES, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

ASSETS

	2021	2020
CURRENT ASSETS		
Cash and cash equivalents	\$ 219,483	\$ 201,593
Investments	895,827	503,637
Accounts receivable	31,184	20,427
Prepaid expenses	29,102	2,289
Right of use asset	5,400	10,800
	<u>1,180,996</u>	<u>738,746</u>
NONCURRENT ASSETS		
Property and equipment, net of depreciation	2,647	6,716
Security deposit	1,000	1,000
Right of use asset, net of current	-	5,400
	<u>3,647</u>	<u>13,116</u>
Total current assets	<u>1,180,996</u>	<u>738,746</u>
Total noncurrent assets	<u>3,647</u>	<u>13,116</u>
Total assets	<u>\$ 1,184,643</u>	<u>\$ 751,862</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 23,697	\$ -
Accrued payroll and related taxes	22,753	24,792
Future minimum lease obligations	5,400	10,800
Note payable	-	110,900
	<u>51,850</u>	<u>146,492</u>
Total current liabilities	<u>51,850</u>	<u>146,492</u>
NONCURRENT LIABILITIES		
Future minimum lease obligations, net of current	-	5,400
	<u>-</u>	<u>5,400</u>
Total noncurrent liabilities	<u>-</u>	<u>5,400</u>
Total liabilities	<u>51,850</u>	<u>151,892</u>
NET ASSETS		
Without donor restriction	434,585	192,374
With donor restriction	698,208	407,596
Total net assets	<u>1,132,793</u>	<u>599,970</u>
Total liabilities and net assets	<u>\$ 1,184,643</u>	<u>\$ 751,862</u>

See accompanying notes and independent auditors' report

DEACONESS FAITH COMMUNITY NURSE MINISTRIES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Without Donor restriction	With Donor restriction	2021 Total	2020 Total
SUPPORT AND REVENUE				
Parish nurse grants	\$ -	\$ 617,302	\$ 617,302	\$ 292,716
Church reimbursements	329,819	-	329,819	387,151
Donations	108,344	-	108,344	43,412
Debt forgiveness	110,900	-	110,900	-
Other	632	-	632	1,841
Total support and revenue	549,695	617,302	1,166,997	725,120
Net assets released from restrictions	326,690	(326,690)	-	-
Net support and revenue	876,385	290,612	1,166,997	725,120
EXPENSES				
Programs				
Senior health	215,889	-	215,889	226,446
Congregational	127,376	-	127,376	145,009
Community outreach	191,890	-	191,890	237,951
Total program expenses	535,155	-	535,155	609,406
Supporting services				
General and administration	196,221	-	196,221	198,097
Fundraising	4,522	-	4,522	2,324
Total support expenses	200,743	-	200,743	200,421
Total expenses	735,898	-	735,898	809,827
Change in net assets from operations	140,487	290,612	431,099	(84,707)
INVESTMENT ACTIVITIES				
Interest and dividends	1,719	-	1,719	8,068
Realized gain (loss) on investments	19,020	-	19,020	-
Unrealized gain (loss) on investments	80,986	-	80,985	43,923
Total investment activities	101,724	-	101,724	51,991
Changes in nets assets	242,211	290,612	532,823	(32,716)
Net assets - beginning of year	192,374	407,596	599,970	632,686
Net assets - end of year	\$ 434,585	\$ 698,208	\$ 1,132,793	\$ 599,970

See accompanying notes and independent auditors' report

DEACONESS FAITH COMMUNITY NURSE MINISTRIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Programs			General and Administration	Fundraising	2021 Total	2020 Total
	Senior Health	Congregational	Community Outreach				
Salaries	\$ 149,333	\$ 70,132	\$ 149,805	\$ 118,012	\$ -	\$ 487,282	\$ 521,911
Payroll taxes	11,204	5,298	11,382	6,896	-	34,780	32,937
Employee benefits	9,907	1,905	2,287	18,861	-	32,960	43,524
Development	-	-	-	-	154	154	-
Rent and lease	-	-	-	10,800	-	10,800	10,800
Depreciation	-	-	-	5,619	-	5,619	6,007
Office supplies	-	-	-	1,533	-	1,533	854
Program supplies	2,570	3,614	1,767	80	65	8,096	14,536
Postage and printing	-	-	-	863	690	1,553	1,310
Insurance	3,305	4,648	1,653	723	-	10,329	6,661
Dues	-	-	-	1,604	-	1,604	2,266
Travel	-	-	-	1,549	-	1,549	1,974
Meals and entertainment	-	-	-	168	663	831	95
Miscellaneous	-	-	-	1,262	750	2,012	7,327
Professional fees	-	-	-	19,170	-	19,170	19,714
Marketing	-	-	-	-	-	-	3,423
Computer expenses	2,211	4,421	6,217	967	2,200	16,016	44,668
Bank fees	-	-	-	6,898	-	6,898	779
Utilities	-	-	-	1,216	-	1,216	1,136
Parish nurse education	199	198	199	-	-	596	125
Grants	37,160	37,160	18,580	-	-	92,900	89,780
Total	\$ 215,889	\$ 127,376	\$ 191,890	\$ 196,221	\$ 4,522	735,898	\$ 809,827

See accompanying notes and independent auditors' report

DEACONESS FAITH COMMUNITY NURSE MINISTRIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 532,823	\$ (32,716)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	5,619	6,007
Debt forgiveness - Paycheck Protection Program	(110,900)	-
Realized (gain) loss on investments	(19,020)	-
Unrealized (gain) loss on investments	(80,985)	(43,923)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(10,757)	23,543
(Increase) decrease in prepaid expenses	(26,813)	598
(Increase) decrease in right of use asset	10,800	(11,700)
Increase (decrease) in accounts payable	23,697	(3,336)
Increase (decrease) in accrued payroll expenses	(2,039)	(3,369)
Increase (decrease) in future minimum lease obligations	(10,800)	11,700
	311,625	(53,196)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(1,550)	-
Proceeds from sale of investments	164,336	174,329
Purchases of investments	(456,521)	(139,458)
	(293,735)	34,871
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	-	110,900
	-	-
Net increase (decrease) in cash and cash equivalents	17,890	92,575
Cash and cash equivalents - beginning of year	201,593	109,018
Cash and cash equivalents - end of year	\$ 219,483	\$ 201,593

See accompanying notes and independent auditors' report

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Deaconess Faith Community Nurse Ministries Inc. (the “Organization”) is a nonprofit corporation that provides mental, physical, and spiritual health-related services, education, and advocacy to churches, mosques and synagogues, and various community organizations in efforts to create communities of holistic wellness. Its mission is to improve and promote the health of body, mind, spirit, and community throughout the St. Louis region.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s management and the board of directors.

Net assets with donor restrictions - Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments

The Organization has adopted “Accounting for Certain Investments Held by Non-Profit Organizations.” Under the standard, investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities.

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Organization is exempt from income taxes pursuant to section 501(c)(3) of the Internal Revenue Service Code. Therefore, no provision is made for taxes on income.

The Organization adopted the provisions of Accounting for Uncertainty in Income Taxes on January 1, 2012. The adoption of that guidance resulted in no change to the financial statements for prior periods. As of December 31, 2021, no amounts have been recognized for uncertain tax positions. The Organization's tax returns filed for 2018 and prior are closed.

Support and Revenue

The Organization receives support from local churches, mosques, synagogues, and various community organizations for providing services. The organization receives grant money from the various organizations and programs it applies to throughout the year. The Organization also receives miscellaneous individual donations from public support.

Accounts Receivable

At December 31, 2021 and 2020 accounts receivable were comprised of amounts due from churches and other organizations for services performed. Management deems all receivable balances to be fully collectible as of the end of 2021 and 2020; therefore, the allowance for doubtful accounts is \$0.

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at their estimated fair market value at the date of the donation. The Organization generally capitalizes assets with a cost of \$500 or more. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Furniture, equipment, and software owned by the organization have been depreciated over periods ranging from 3 to 10 years. Expenditures for repairs and maintenance are charged to operating expenses as incurred. Depreciation expense for the years ended December 31, 2021 and 2020 was \$5,619 and \$6,007, respectively.

Use of Estimates in Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Measure of operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's program services and support services. Nonoperating activities are limited to resources that generate a return on investment and other activities considered to be of more unusual or nonrecurring nature.

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Services

A number of volunteers contributed services to the Organization. Only the contributed services that meet the reporting criteria for recognition have been reported at the fair market value for the services provided. Contributed services that do not meet the reporting criteria have not been included in the financial statements.

Comparative Data

The amounts shown for the year ended December 31, 2020 in the accompanying financial statements are included to provide a basis for comparison with 2021 and present summarized totals only. Accordingly, the 2020 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction, depending on the nature of the restriction, is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

New Accounting Pronouncement

As of January 1, 2021, the Church adopted Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (Topic 606), that replaces previously existing revenue recognition guidance. The new standard requires companies to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, Topic 606 requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The adoption of ASU 2014-09 has no impact on the previously reported financial statements.

NOTE 2 - FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between fundraising, general, and administration, or the appropriate program based on evaluations of the related benefits. Such allocations are determined by management on an equitable basis. Expenditures have been allocated based on time and effort or specific identification, when available.

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 3 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Organization to credit risk consist principally of cash and investments. The Organization places its cash and investments with quality institutions and attempts to limit the amount of credit exposure. The Organization had cash deposits and securities held in an account with United Church Funds, totaling \$195,105 as of December 31, 2021. This balance is not insured by any federal government agency.

The organization held deposit accounts at Commerce Bank. Each depositor is entitled to up to \$250,000 of insurance coverage by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2021, the carrying amount of the deposits at Commerce Bank totaled \$194,988. Of the bank balances, all were secured by FDIC.

The Organization had cash deposits and investments with Stifel totaling \$725,218 as of December 31, 2021. Of the total balances held, \$500,000 was insured by Securities Investor Protection Corporation (SIPC) insurance, and \$24,495 was insured by FDIC leaving \$200,723 of investments unsecured.

NOTE 4 - FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are described below:

- Level 1- Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Organization has the ability to access.
- Level 2- Inputs to the valuation methodology include:
 - Quoted prices for similar assets in active markets;
 - Quoted prices for similar assets in inactive markets;
 - Inputs other than quoted prices that are observable for the asset;
 - Inputs that are derived principally from or corroborated by observable market data by the correlation or other means.
- Level 3- Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021.

Mutual funds held at United Church Funds: Valued at the net asset value of shares held by the Organization at year-end as calculated by United Church Funds, based on the market value of securities within the funds.

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

Mutual funds held at Stifel: Valued as the net asset value of shares held by the Organization at year-end.

Stocks and Exchange Traded Funds: Valued at the closing price reported on the active market on which the securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds - United Church Funds	\$ -	\$ 195,105	\$ -	\$ 195,105
Mutual Funds - Stifel	234,409	-	-	234,409
Stocks and ETF's	466,313	-	-	466,313
Total Investments	<u>\$ 700,722</u>	<u>\$ 195,105</u>	<u>\$ -</u>	<u>\$ 895,827</u>

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds - United Church Funds	\$ -	\$ 177,804	\$ -	\$ 177,804
Mutual Funds - Stifel	108,594	-	-	108,594
Stocks and ETF's	217,239	-	-	217,239
Total Investments	<u>\$ 325,833</u>	<u>\$ 177,804</u>	<u>\$ -</u>	<u>\$ 503,637</u>

NOTE 5 - OPERATING LEASES

The Organization entered into a lease with Fee Fee Investors, LLC in June 2020 for use of office space. The lease term is June 1, 2020 through June 30, 2022, with monthly payments of \$900. The future minimum payments as of December 31 follows:

2022	<u>\$ 5,400</u>
Total	<u>\$ 5,400</u>

Operating lease payments for the years ended December 31, 2021 and 2020 were \$10,800 and \$10,800, respectively.

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2021 and 2020 are restricted as follows:

	2021		2020	
	Purpose	Period	Purpose	Period
City of St. Louis Senior Citizen Fund	\$ 24,450	\$ -	\$ 29,718	\$ -
Jefferson Memorial	14,119	-	3,723	-
Eastern Missouri	4,573	-	6,717	-
Episcopal Presbyterian Health Trust	-	-	17,839	-
St. Peters UCC	6,069	-	6,069	-
Charles Foundation	27,651	-	12,003	-
Marillac Mission	7,288	-	-	-
Cigna Foundation	-	-	24,122	-
Ameren	789	-	1,167	-
Covid Humanitarian	-	-	530	-
Senior ER	-	-	233	-
St. Louis Regional Health	-	-	10,654	-
Good Samaritan	613,269	-	294,821	-
Total	<u>\$ 698,208</u>	<u>\$ -</u>	<u>\$ 407,596</u>	<u>\$ -</u>

NOTE 7 - NOTE PAYABLE

In May 2020, the Center received loan proceeds in the amount of \$110,990 under the Paycheck Protection Program (“PPP”). The PPP is administered by the Small Business Administration. The loan and accrued interest (1%) are forgivable after eight to twenty-four weeks as long as the Center used the loan proceeds for eligible purposes, such as payroll, benefits, rent, and utilities. On April 5, 2021, the entire loan balance was forgiven and \$110,990 was recorded as Debt forgiveness on the statement of activities. The balance as of December 31, 2021 and 2020 was \$0 and \$110,990, respectively

NOTE 8 - PROPERTY AND EQUIPMENT

The following components comprise property and equipment as of December 31, 2021 and 2020:

	2021	2020
Furniture and equipment	\$ 25,468	\$ 23,918
Software	25,476	25,476
Total depreciable property	50,944	49,394
Accumulated depreciation	(48,297)	(42,678)
Property and equipment, net	<u>\$ 2,647</u>	<u>\$ 6,716</u>

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 9 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2021:

Financial assets at year-end	
Cash and cash equivalents	\$ 219,483
Investments	895,827
Accounts receivable	31,184
Total financial assets at year-end	1,146,494
Less amounts not available for general expenditures within one year	
Net assets with period restrictions in excess of one year	-
Net assets with purpose restrictions	698,208
Total amounts not available to meet general expenditures within one year	698,208
Financial assets available to meet general expenditures within one year	\$ 448,286

NOTE 10 - REVENUE RECOGNITION UNDER ASU 2014-09

Contracts with Customers

The Organization recognized \$329,819 of revenue from contracts with customers during 2021. No impairment losses were recognized on receivables or contract assets.

Disaggregated Revenue

Contract revenue is recognized at a point in time when services are provided. The Organization provides nursing services to various churches in the St. Louis area. Due to the nature of the Organization's revenue, economic factors do not materially affect the nature, timing, and uncertainty of revenues or cash flows.

Contract Balances

A summary of beginning and ending contract-type balances follows:

	December 31, 2021	December 31, 2020	December 31, 2019
Accounts receivable	\$ 29,102	\$ 20,427	\$ 43,970

Performance Obligations

Contract performance for nursing obligations is satisfied at the time when services are provided. The Organization does not charge interest on accounts receivable and has no formal obligation for refunds.

DEACONESS FAITH COMMUNITY NURSE MINISTRIES INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 10 - REVENUE RECOGNITION UNDER ASU 2014-09 (continued)

Significant Judgements

There were no significant judgements used for the recognition of revenue for 2021. There were no changes in recognition methodology. Also, during 2021, there were no changes in the judgements utilized for determining the timing of the satisfaction of performance obligations or transaction prices allocated to performance obligations.

There have been no allocations of transaction prices, including estimates of standalone selling prices of goods or services promised, or allocation of discounts and variable consideration to a particular part of a contract.

Practical Expedients Used for Financing Components

There is no financing component to the Organization's recognition of revenue.

Transition Disclosures

The Organization adopted ASC 606 on January 1, 2021, and it was applied retrospectively using the *Modified Retrospective Method*. The difference between contract revenue using prior revenue recognition methods and revenue using new guidance is \$0. The practical expedient used to analyze the effect of the adoption of ASC 606 was the *Right to Invoice* expedient. There was no difference in methods used for recognition of contract revenue with customers versus contracts with non-customers.

NOTE 11 - SUBSEQUENT EVENTS

Management has evaluated subsequent through April 1, 2022, the date which the financial statements were available for issue and noted no subsequent events.